

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 18 -

**MAKING RESPONSIBLE AGENCY FINDINGS PURSUANT TO THE CALIFORNIA
ENVIRONMENTAL QUALITY ACT TO APPROVE AGREEMENTS RELATING THE
CALIFORNIA WATERFIX PROJECT**

WHEREAS, Santa Clara County relies on State Water Project (SWP) and Central Valley Project (CVP) water conveyed through the Sacramento-San Joaquin Bay-Delta (Delta) for 40 percent of its water supply on average; and

WHEREAS, imported water from the Delta and its watershed has played a significant role in meeting the County's water supply demands and allows for the recharging of the County's groundwater basin, protecting against further land subsidence, and providing for the well-being of the citizens of Santa Clara County; and

WHEREAS, substantial local investments in water use efficiency and conservation, recycled water and groundwater management are essential but cannot cost-effectively replace imported water; and

WHEREAS, the Santa Clara Valley Water District (District) has long been committed to sustained reliable water supplies as well as environmental stewardship; and

WHEREAS, if no action is taken, the District's SWP and CVP supplies will be vulnerable to risks from declining ecosystem conditions, increasing regulatory restrictions, seismic risks, climate change and sea level rise, resulting in reduced water supply reliability for Santa Clara County; and

WHEREAS, the California Department of Water Resources (DWR) has proposed to construct the California WaterFix (Project), a project that could potentially protect the District's water supply reliability by upgrading aging infrastructure, thereby reducing the vulnerability of SWP and CVP water supplies to seismic events in the Delta and climate change impacts; and

WHEREAS, in July 2017, DWR approved the Project after certifying the Project's final environmental impact report (Final EIR), making findings of fact including statement of overriding considerations, and adopting a Mitigation Monitoring and Reporting Program pursuant to the California Environmental Quality Act (CEQA); and

WHEREAS, on October 17, 2017, the District Board adopted Resolution 17-68 which declared the District's conditional support for the Project and adopted certain guiding principles to shape the District's participation in the evaluation and further development of the Project; and

WHEREAS, various contractors of the California State Water Project ("Participating SWP Contractors") are considering to form a joint powers authority ("Construction JPA") by entering into a joint powers agreement ("Construction JPA Formation Agreement") for the purpose of undertaking activities required to complete the design and construction of the Project; and

WHEREAS, various Participating SWP Contractors are considering to form another joint powers authority ("Financing JPA") for the purpose of assisting DWR in the financing of the Project; and

WHEREAS, DWR is seeking additional funds from various Participating SWP Contractors to pay for the Project's preconstruction expenses through execution of a gap funding agreement; and

WHEREAS, the District is considering an option agreement with the Metropolitan Water District of Southern California to purchase CVP water supply capacity from the Project; and

WHEREAS, the District Board is considering approving the above-described agreements that have been provided to the Board for review; and

WHEREAS, other agreements relating to the Project may in the future be considered by the District Board or its designee as authorized by the Board; and

WHEREAS, since DWR's certification of the Final EIR, legal actions alleging that the Final EIR does not comply with CEQA have been filed but no injunction or similar relief has been granted; and

WHEREAS, pursuant to Public Resources Code section 21167.3(b), a CEQA responsible agency must assume the Final EIR complies with CEQA pending final determination of the legal actions; and

WHEREAS, a CEQA responsible agency includes any public agency other than the lead agency which has discretionary approval power over a project; and

WHEREAS, the District as a CEQA responsible agency must make certain findings pursuant to section 15096(h) of the CEQA Guidelines prior to taking action on the Project.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Santa Clara Valley Water District does hereby find, determine, and order as follows:

1. The Board has considered the Final EIR and its evaluation of environmental impacts of the Project and determined that the Final EIR is adequate for use by the District to take actions on the Project.
2. The Board adopts Department of Water Resources' California Water Fix CEQA Findings of Fact and Statement of Overriding Considerations, dated July 2017.
3. The Board adopts Department of Water Resources' Final Mitigation Monitoring and Reporting Program for the California Water Fix, dated December 2016.
4. The Chief Executive Officer is hereby authorized and directed, on behalf of the District's Board of Directors, to execute any such documents and to perform any such acts as may be deemed necessary or appropriate to accomplish the intent of this resolution.

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District by the following vote on May 2, 2018:

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

By: _____
RICHARD P. SANTOS
Chair/Board of Directors

ATTEST: MICHELE L. KING, CMC

Clerk/Board of Directors